

New Style JSA and Universal Credit Dual claims

Introduction

A dual claim is where Universal Credit and New Style JSA is claimed and paid alongside each other. This includes cases where the award of New Style JSA is nil (i.e. where pension payments reduce the New Style JSA award to nil) and is therefore a credits only claim.

Key Features of a Dual Claim:

- Payments of New Style JSA are taken into account as unearned income in the Universal Credit assessment. The system automatically calculates the amended Universal Credit payments from the details held in 'Other Benefits'
- Claimants will be awarded a Class 1 National Insurance credit even if the award of New Style JSA is nil.
- Work-related requirements for New Style JSA claimants are the same as Universal Credit claimants and they are placed in the all work-related conditionality group.
- Universal Credit conditionality applies and the detail of what they must do to meet their work-related requirements is set out in their Universal Credit claimant commitment. Failure to comply with work-related requirements could result in the claimant's Universal Credit being reduced.
- The claimant must accept a claimant commitment relating to New Style JSA and Universal Credit as this remains a condition of entitlement. Only one Claimant commitment is required and will be held on Universal Credit Service. As no conditionality or sanctions can be imposed through the New Style JSA claim, Universal Credit sanctions will apply instead for these claimants.
- This means that although the claimant may have a sanction applied to their Universal Credit claim, they must continue to be paid their New Style JSA.

Claimants who work

Universal Credit will receive earnings information for the claimant through a Real Time Information data feed unless the claimant is informed that they must self-report.

Claimants must self-report any earnings in respect of their New Style JSA to Jobcentre Plus. See 'Claimants who work and receive Jobseeker's Allowance' for more details on how this impacts the JSA claim.

Effect of New Style Jobseeker's Allowance on Universal Credit

To avoid duplication of benefit payments, New Style JSA is taken into account as unearned income in Universal Credit.

The amount taken into account is the 'adjusted gross award' of New Style JSA. This is the amount of the New Style JSA award after earnings and occupational pensions have been taken into account but before any other deductions, for example overpayments.

When payment of New Style JSA starts or ends in a Universal Credit assessment period, the actual number of days of New Style JSA paid is taken into account. Other changes to the amount of New Style JSA paid are taken into account using the 'whole month approach'. This means that the Universal Credit award is adjusted by taking into account the New Style JSA in payment at the end of the assessment period and applying that to the whole of that assessment period.

Example:

If a claimant starts working 3 hours per week in the last week of their Universal Credit assessment period and earns £30 per week, their New Style JSA will be reduced by £25 (£30 - £5 disregard = £25) from £74.35 to £49.35.

The amount of unearned income taken into account for Universal Credit in that assessment period will be £49.35 x 52 weeks divided by 12 months = £213.85 (which is less than the amount of New Style JSA they actually received in that assessment period).

Alternatively, if the same claimant then stopped work in the last week of the following assessment period, the amount of unearned income taken into account for Universal Credit in that assessment period will be £74.35 x 52 weeks divided by 12 months = £322.18 (which is more than the amount of JSA they actually received in that assessment period).

Dual claims – effect on waiting days

Seven waiting days will be applied at the start of an award of JSA unless the claim is made within 12 weeks of the termination of a prescribed working-age benefit, a period of jury service or if no other exceptions apply. Any past or current entitlement to Universal Credit has no effect on the application of waiting days in New Style JSA.

Waiting days do not apply in Universal Credit.